State of Idaho DEPARTMENT OF INSURANCE

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NEWS RELEASE

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Idaho Received Share of Insurance Settlement

BOISE ID – (September 19, 2008) The State of Idaho has received \$223,399 as its share of a multi-state settlement between state insurance regulators and HealthMarkets, Inc. and its affiliated companies MEGA Life and Health Insurance Company, Mid-West National Life Insurance Company and Chesapeake Life Insurance Company.

The settlement comes as the result of a three-year multi-state exam which identified multiple problems involving consumer disclosure, oversight and training of agents, and claims and complaint handling.

Idaho Department of Insurance Director Bill Deal said, "It is our duty as regulators to protect the residents of Idaho, and this settlement addresses some serious violations of our consumer protection laws."

According to terms of the settlement, the companies must implement an outreach program that will communicate with consumers and provide information about their plans and grievance procedures.

Findings show that the companies targeted sales to self-employed individuals and sold their health plans through associations.

The settlement agreement can be viewed in its entirety on the Department Web site, http://doi.idaho.gov/press/Mega_Life.pdf.